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July 23, 2003

Via FCC ECFS

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC, 20554

Re: CG Docket No. 02-386, Ex Parte Meeting

Dear Ms. Dortch:

On July 22, 2003, I and Joe Lynam, the president of PaymentOne Corporation ("PaymentOne"), met with Alexis Johns, an Attorney Advisor with the Consumer and Governmental Affairs Bureau, Policy Division, and discussed matters pertaining to CG Docket No. 02-386. The following summarizes our presentation to Ms. Johns.

PaymentOne offers billing solutions to companies selling services or products to the public. PaymentOne billing platforms include credit card billing, direct billing, debit billing and billing through local phone companies. To bill third-party goods and services through the invoices of local exchange carriers, companies must be able to obtain current and accurate information regarding the identity of the purchaser's carrier. Under current practice, this information is often not available when competitive LECs are not facilities-based but instead are resellers of a facilities-based carrier.

Consumers may choose to be billed for communications-related services, such as recurring monthly charges by Internet Service Providers, on their local carrier phone bill for a variety of reasons. These include a distrust of providing their credit card information, especially over the Internet, to persons whom they do not know and the fact that some consumers might not have credit cards. In order for PaymentOne, or any other third-party to be able to verify the identity of the LEC, PaymentOne must have access to current information from that carrier. In the case of a local carrier that has sold lines to a reseller, a check of the data base for the phone number being used may incorrectly reveal that the local carrier, instead of the reseller, is the local provider. When a billing message is subsequently sent to the local carrier to have the service or good billed on the customer's invoice, the data is rejected by the local carrier because the user is in fact not a customer of the local carrier. This frequently results in an uncollectible

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event and may also result in a charge by the local phone company to PaymentOne. These increased costs may be passed back to the consumer.

Thus the lack of a standardized reporting process may result in greater cost, or denial of a service, to a consumer who wishes to, or must, use his or her phone bill as the mechanism to pay for the communications-related service. In addition, the lack of a required, standardized reporting process through which companies can obtain reliable information regarding the identity of the local carrier (and associated billing name and address ("BNA") information) makes more difficult the task of a company that wants to use the phone number of the person ordering the service or good to verify that the person has authority to order that the service or good be billed to the local phone bill.

The information that PaymentOne urges the Commission to order be made available is currently available from many incumbent LECs. For communications-related commerce to expand and for consumers to be offered a choice of products, in addition to those offered by their own LECs (some LECs, for example, offer an Internet access product that is unique to the LEC), LECs should be required to disclose the phone numbers and the BNA information for each of their customers.

Sincerely,

/s/ Richard H. Gordin

Richard H. Gordin